

Fiscal Year 2014 Budget

May 20, 2013

www.Concordnh.gov





Overview

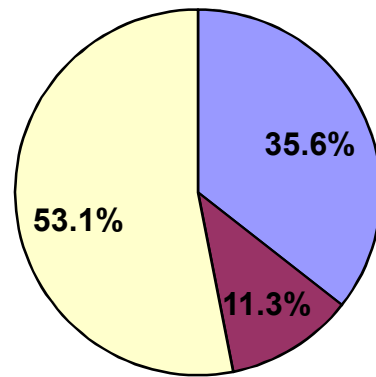
- Guiding Principles
- Concord & Penacook Tax Rates
- Bond Rating
- A Few Comparisons
- Financial Notes
- Fiscal Year 2014 Budget: Operating & Capital
- Going Forward
- Opportunities for Downtown: Concord & Penacook

Guiding Principles

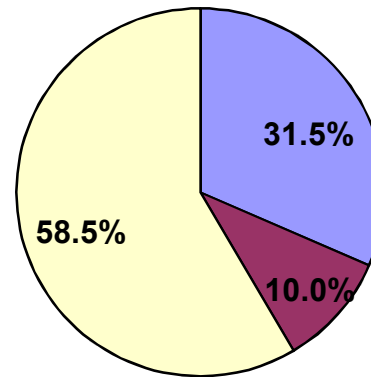
- Direction from City Council and FPAC
 - Focus on priorities, mandates and sustainability
 - Focus on core missions
- Fiscal Reality
 - Continually reevaluate how local government is managed
 - Always consider affordability
 - Take a long-term perspective
- The Evaluation Process
 - Program delivery approach based on collaboration and cooperation

2012 City of Concord Taxes

Concord Tax Rates



Penacook Tax Rates



■ City ■ County ■ School & State Ed

City's Bond Rating – Moody's AA1

City's Economic Strength

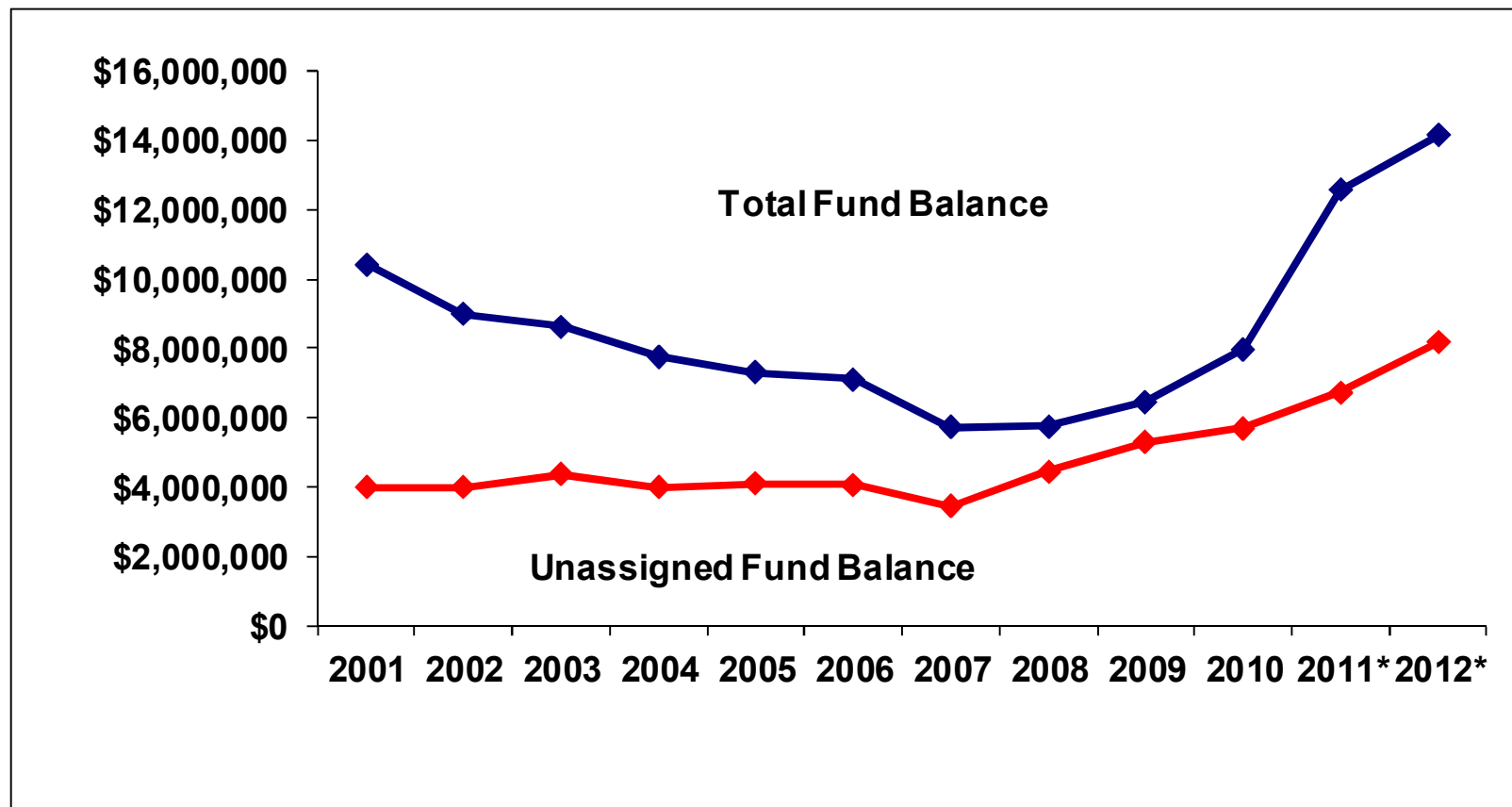
- ❑ Healthy and improving financial position
- ❑ Stable/Diverse tax base
- ❑ Sound financial management
- ❑ Moderate debt burden

City's Achievements

- ❑ 5 years of operating surplus
- ❑ Increased Unassigned Fund Balance

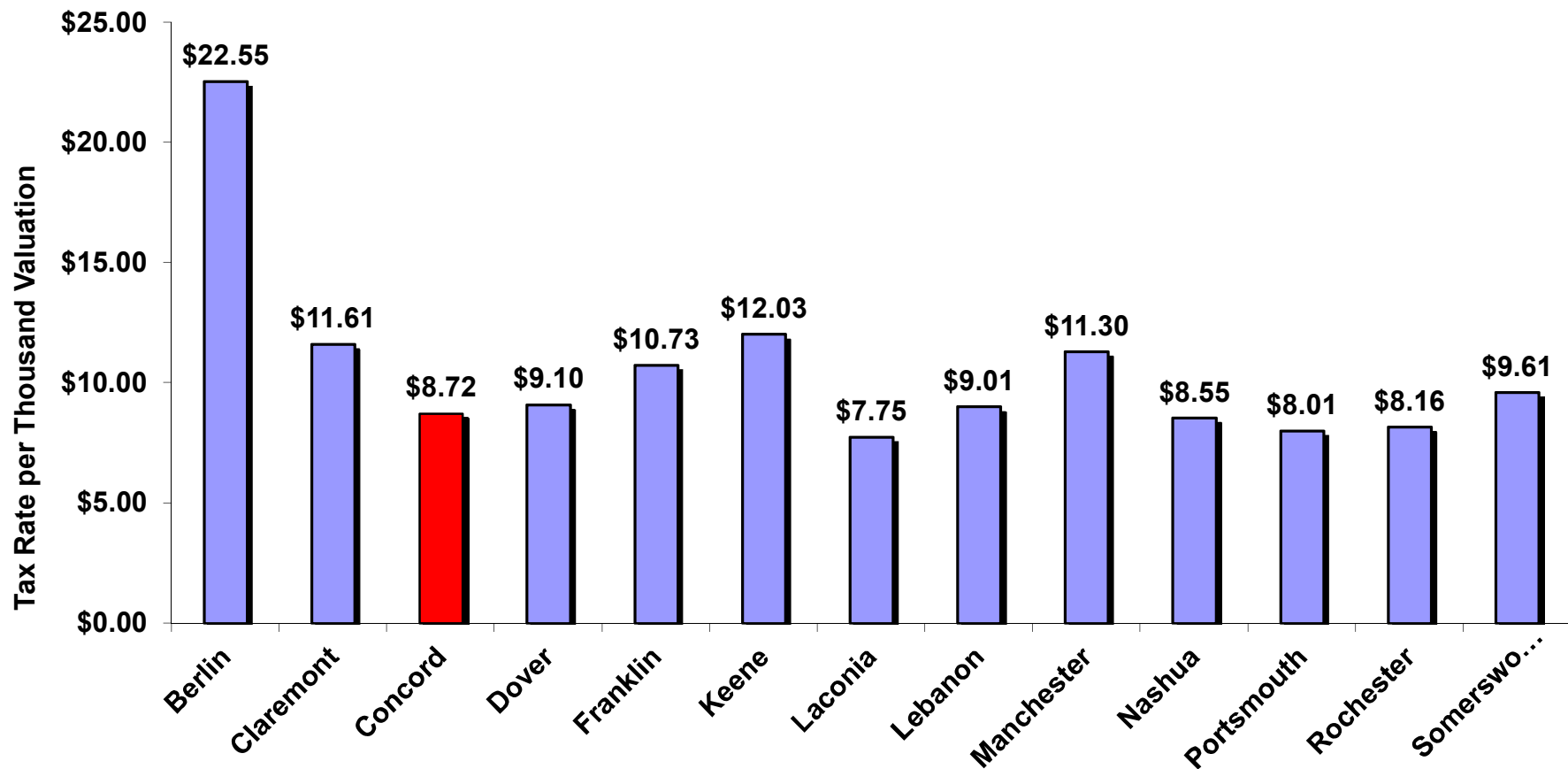
Total Fund Balance & Unassigned Fund Balance

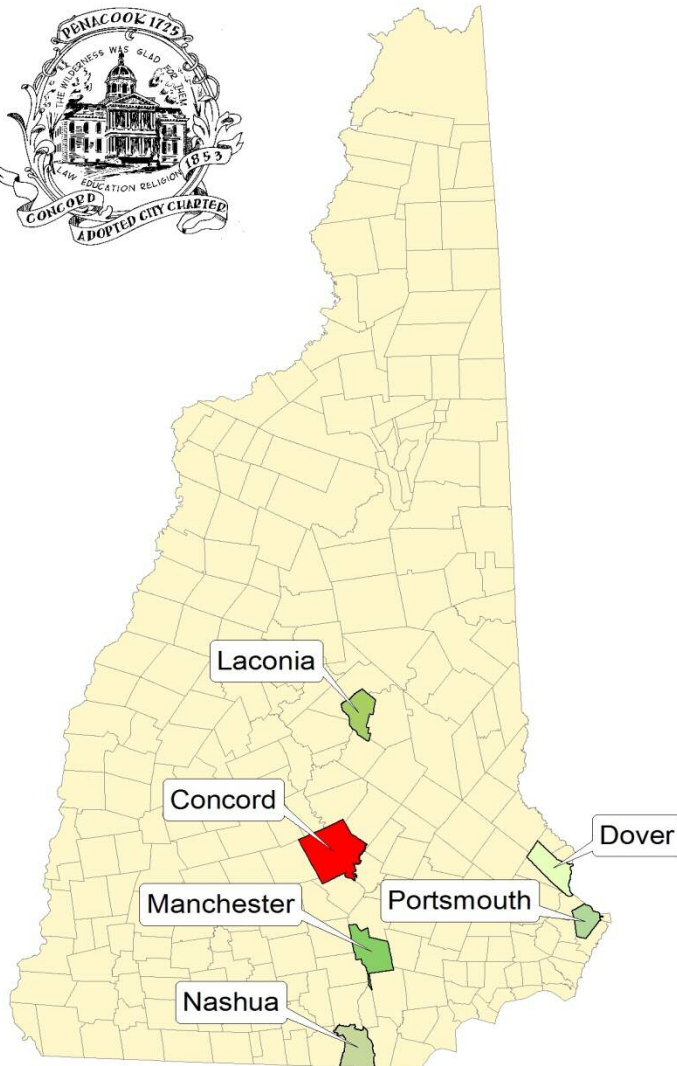
2001 – 2012 Actuals



* Includes Special Revenue Funds

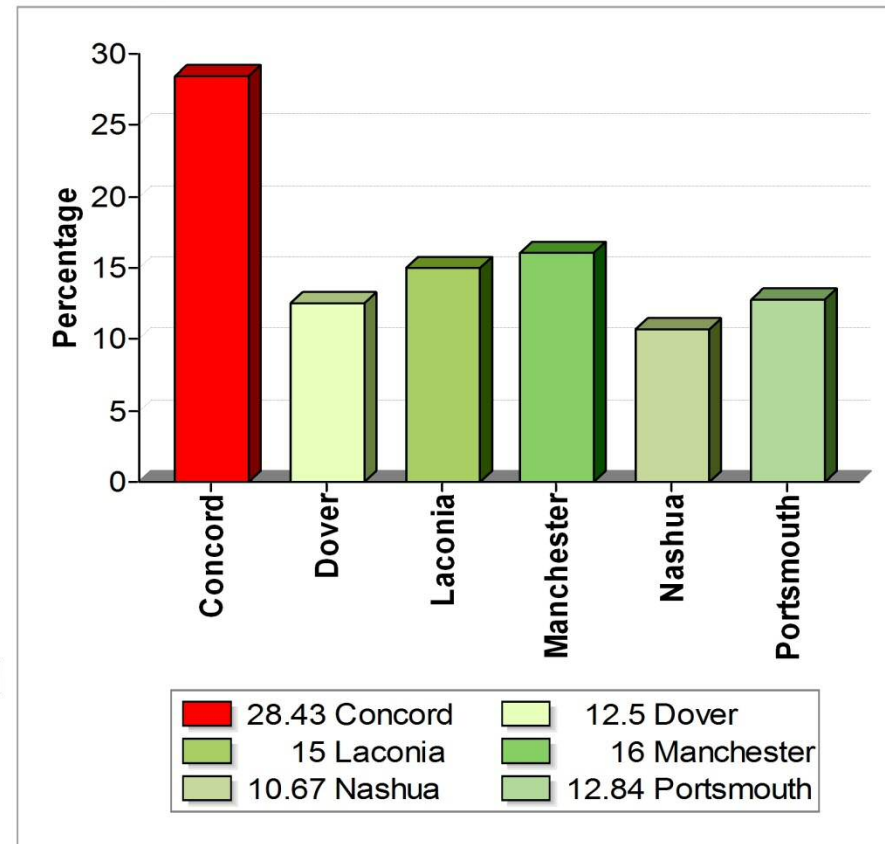
How does Concord's Full Value Municipal Tax Rate Compare for Tax Year 2011?





Percent Value Tax Exempt Comparable Cities In New Hampshire

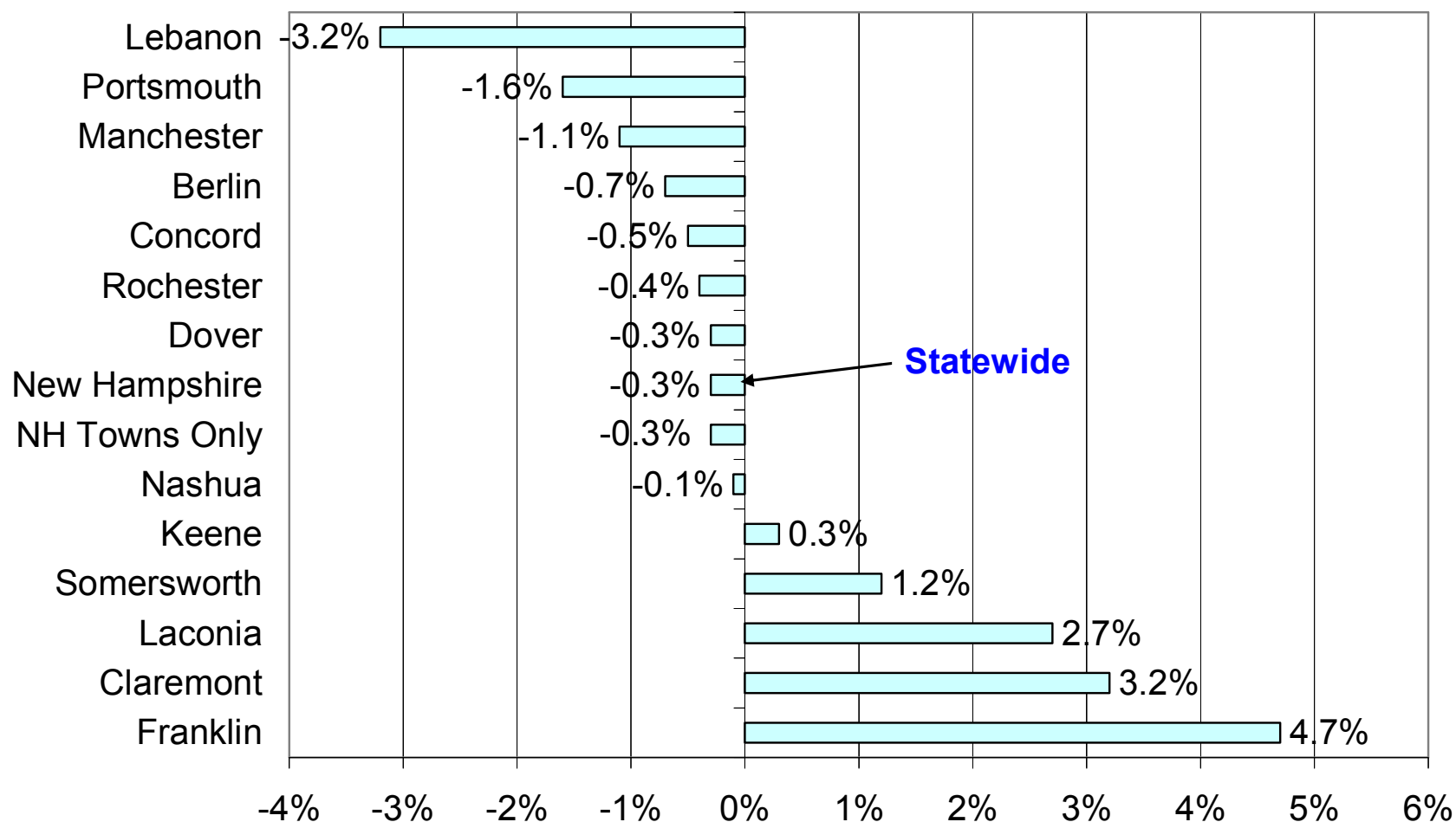
Printed: May 2013



City of Concord, New Hampshire
Engineering Services Division

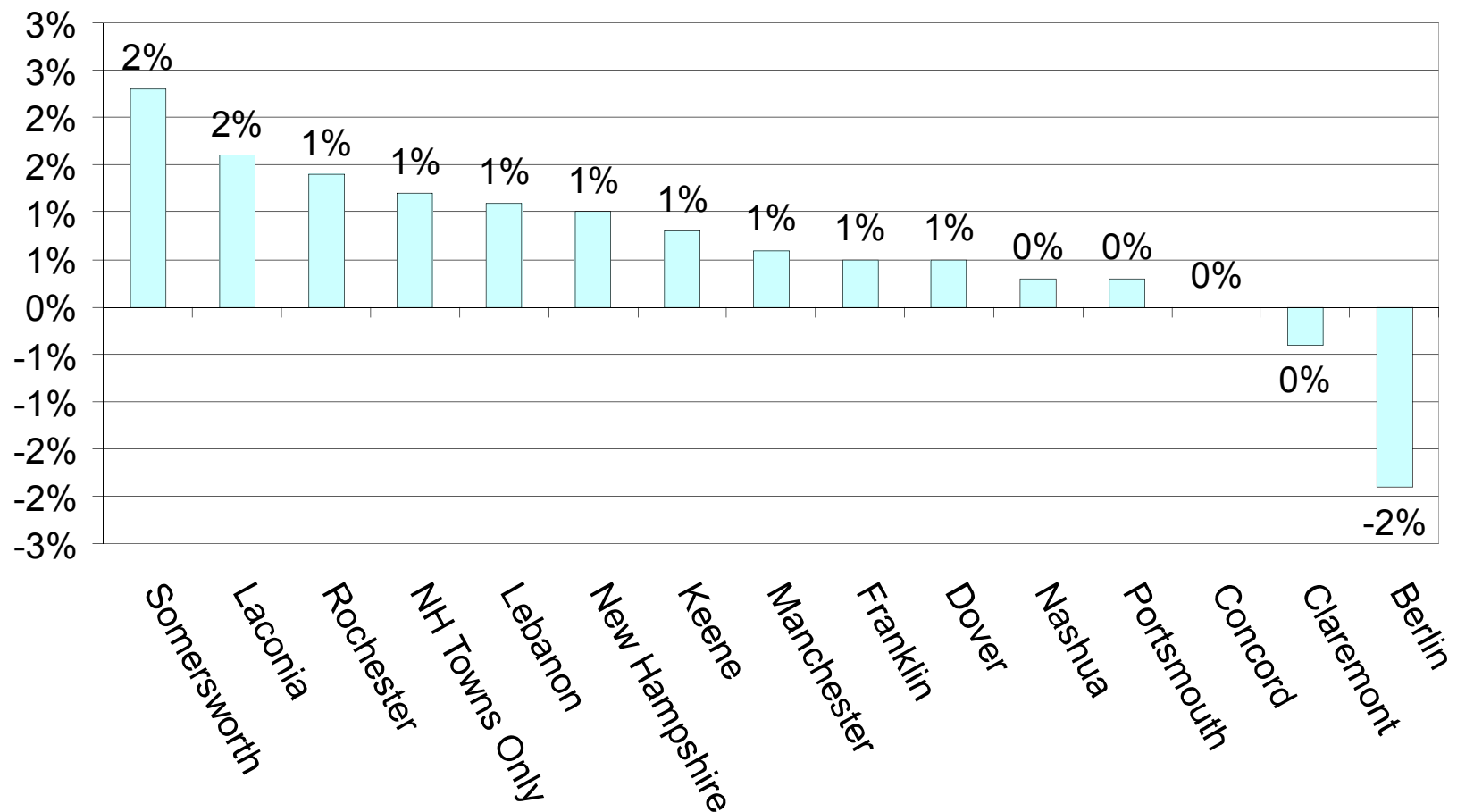
Spending growth has slowed, but not everywhere

Annual Change in Total Per Capita Inflation Adjusted
Appropriations, 2007 to 2011



Per-person property tax burden continues to grow

Change in Property Tax Receipts Per Person, Inflation Adjusted
2007 - 2011



Economic Strength Rankings

Micropolitan Statistical Areas

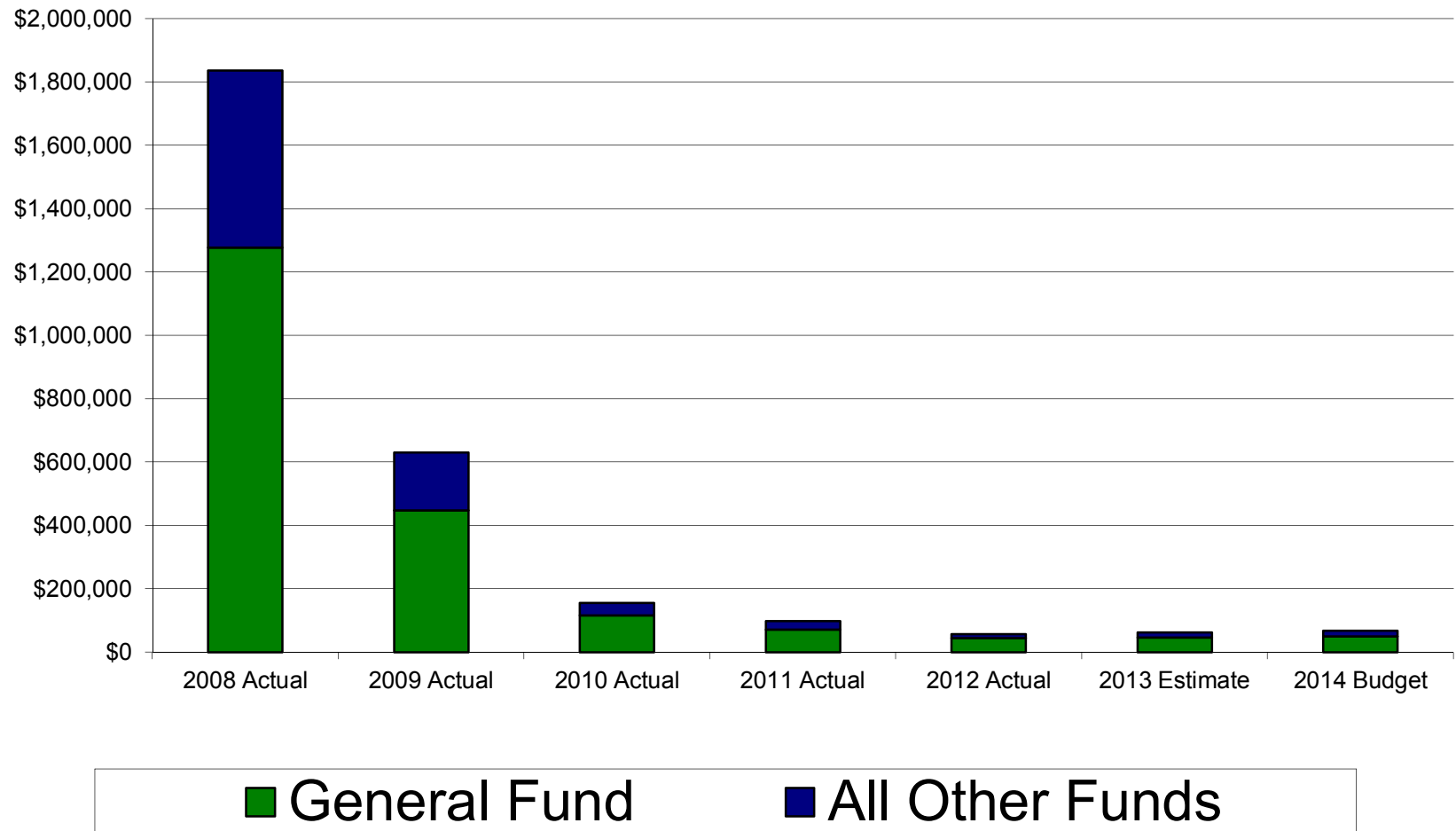
Policom Corp

| | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
|-------------------------------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|
| Concord, NH | 1 | 4 | 8 | 5 | 3 | 1 | 1 | 1 | 1 |
| Helena, MT | 2 | 2 | 6 | 9 | 13 | 23 | 7 | 14 | 37 |
| Lexington Park, MD | 3 | 5 | 13 | 11 | 16 | 22 | 66 | 58 | 33 |
| Gillette, WY | 4 | 3 | 2 | 8 | 10 | 47 | 69 | 107 | 150 |
| Sheridan, WY | 5 | 11 | 12 | 25 | 52 | 101 | 117 | 122 | 112 |
| Durango, CO | 6 | 1 | 3 | 4 | 6 | 13 | 16 | 7 | 15 |
| Watertown-Ft. Drum, NY | 7 | 13 | 23 | 33 | 30 | 64 | 85 | 160 | 212 |
| Lebanon, NH-VT | 8 | 8 | 16 | 7 | 4 | 3 | 2 | 3 | 6 |
| Bozeman, MT | 9 | 7 | 7 | 6 | 8 | 8 | 10 | 9 | 9 |
| Grand Island, NE | 10 | 16 | 36 | 54 | 80 | 73 | 93 | 123 | 90 |

FY 2014 Budget – Items of Note

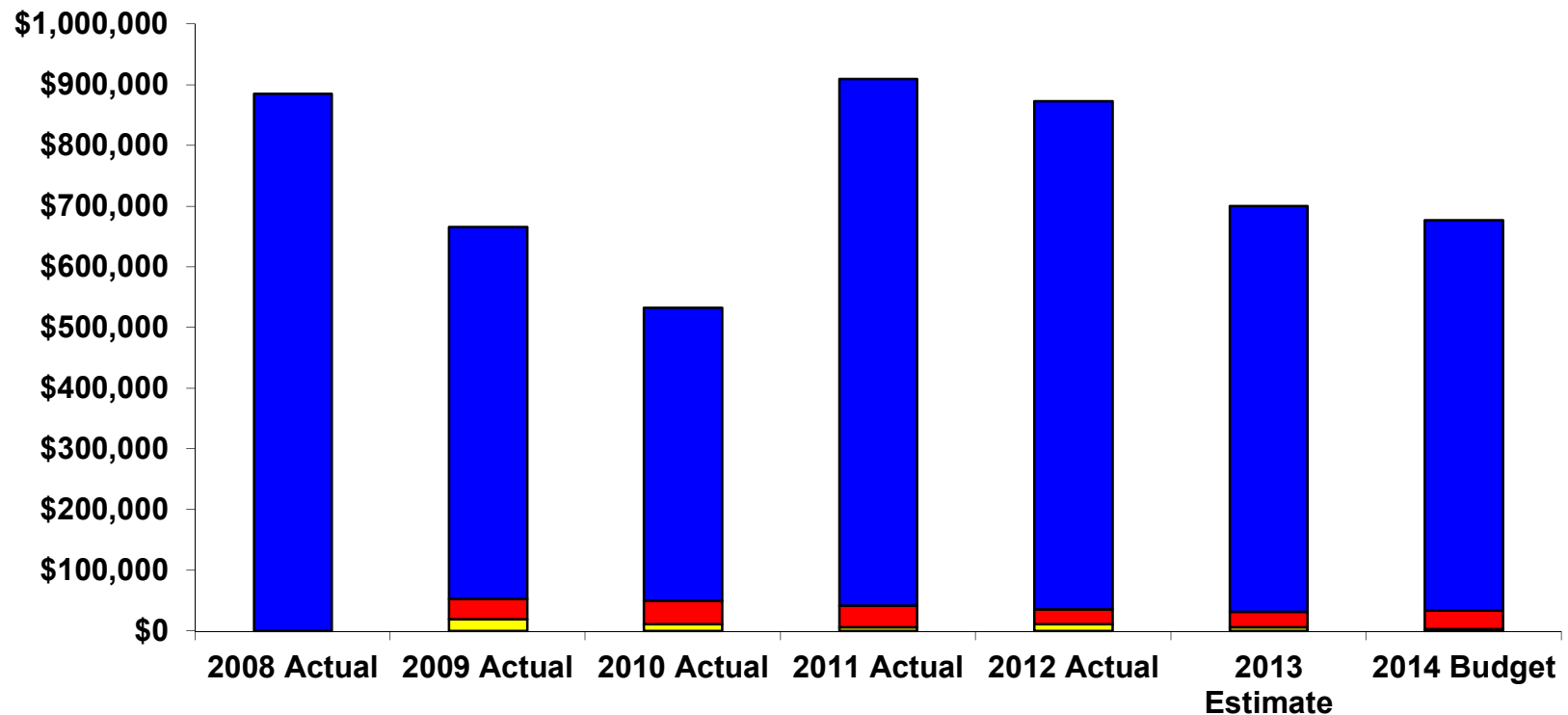
- Interest Income
- Planning & Permitting Revenues
- Motor Vehicle Registrations
- Fuel Costs/Usage
- Worker's Compensation Costs
- Balanced Budget
- Revenues from the State
- Sears Block TIF

Interest Income: General Fund and All Funds Fiscal Years 2008 - 2014



Planning & Permitting Revenue

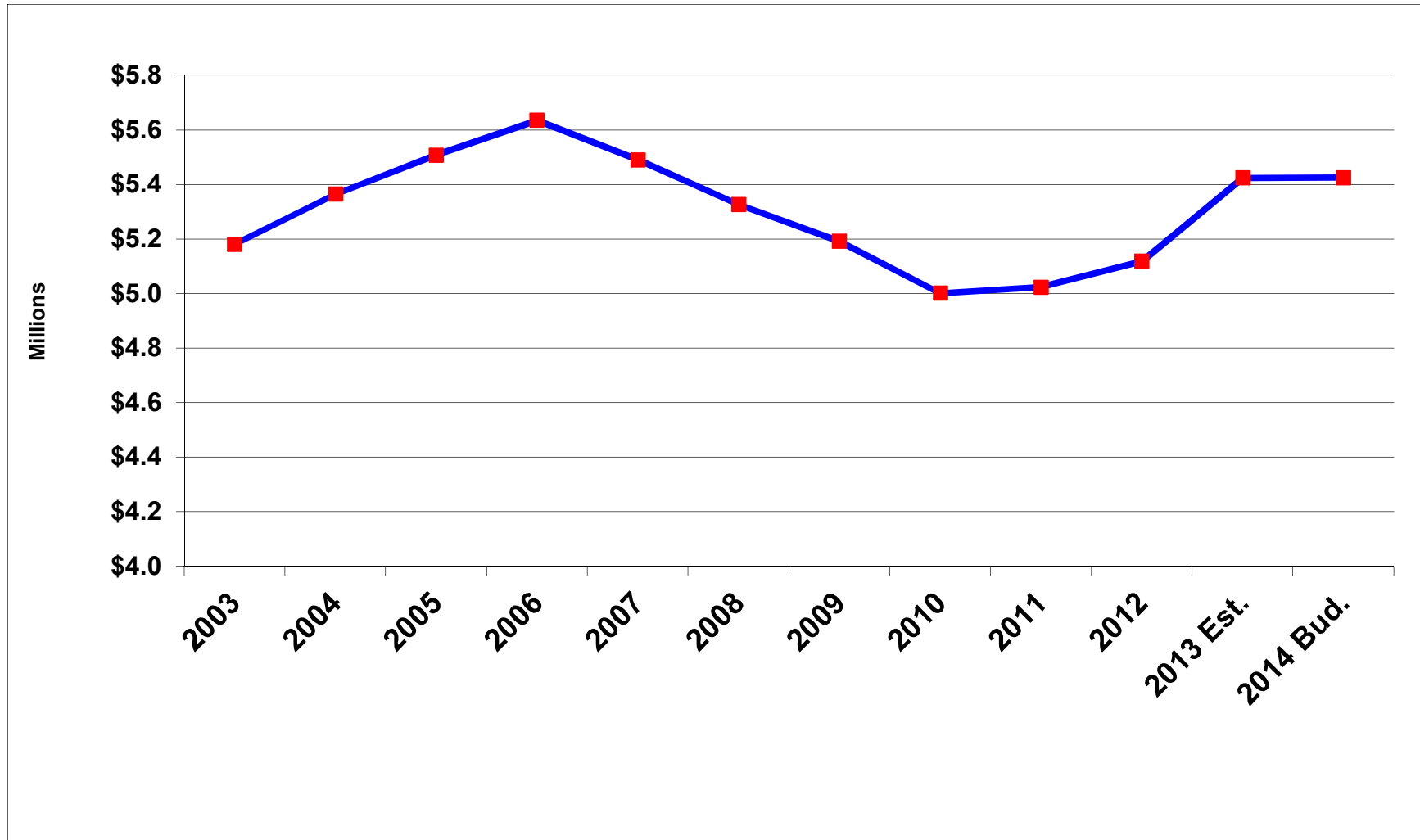
Fiscal Years 2008 - 2014



Subdivision Site Plan Building Permits

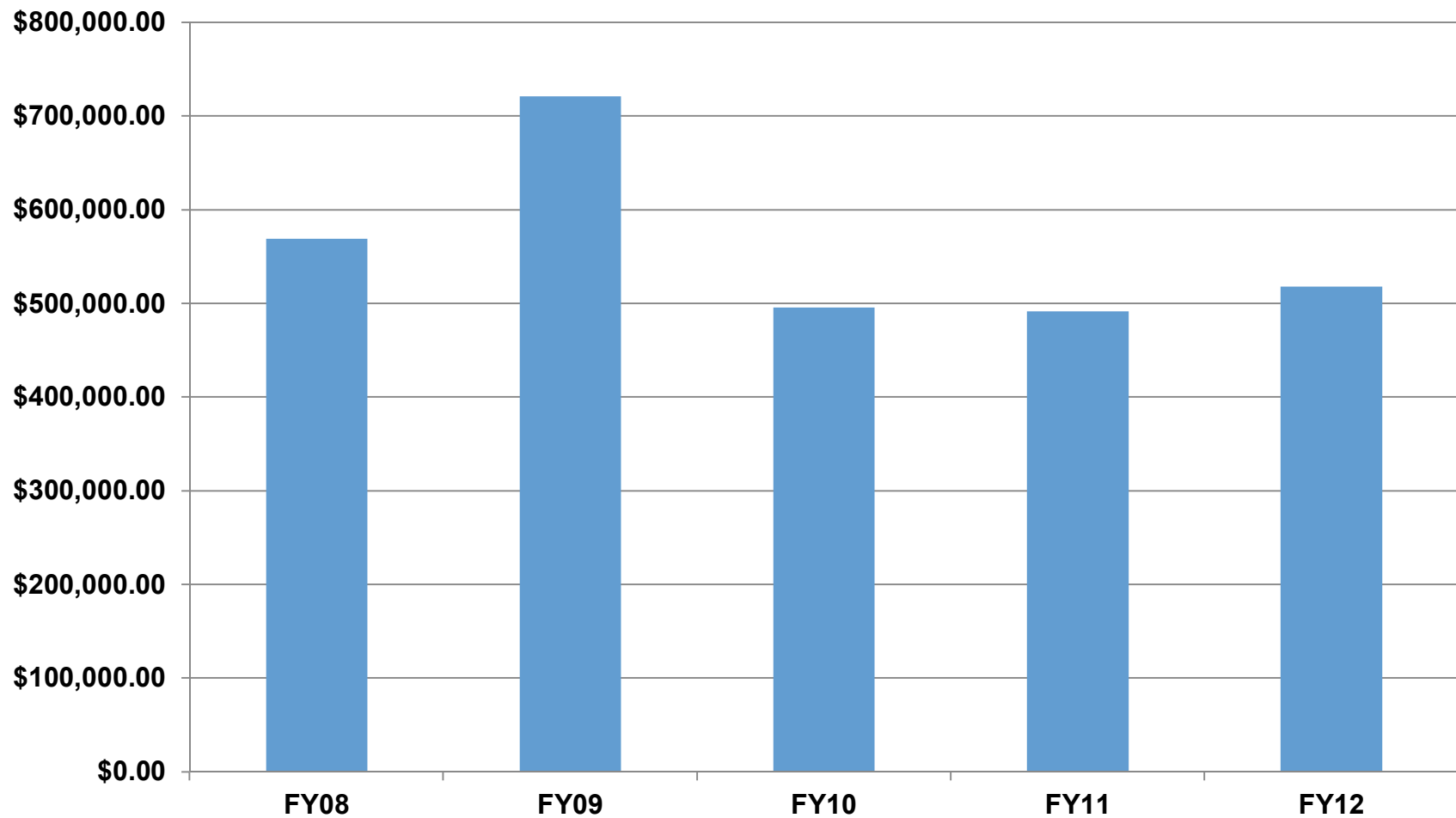
Motor Vehicle Registration Revenue

Fiscal Years 2003 - 2014



Cost of Fuel – All Departments

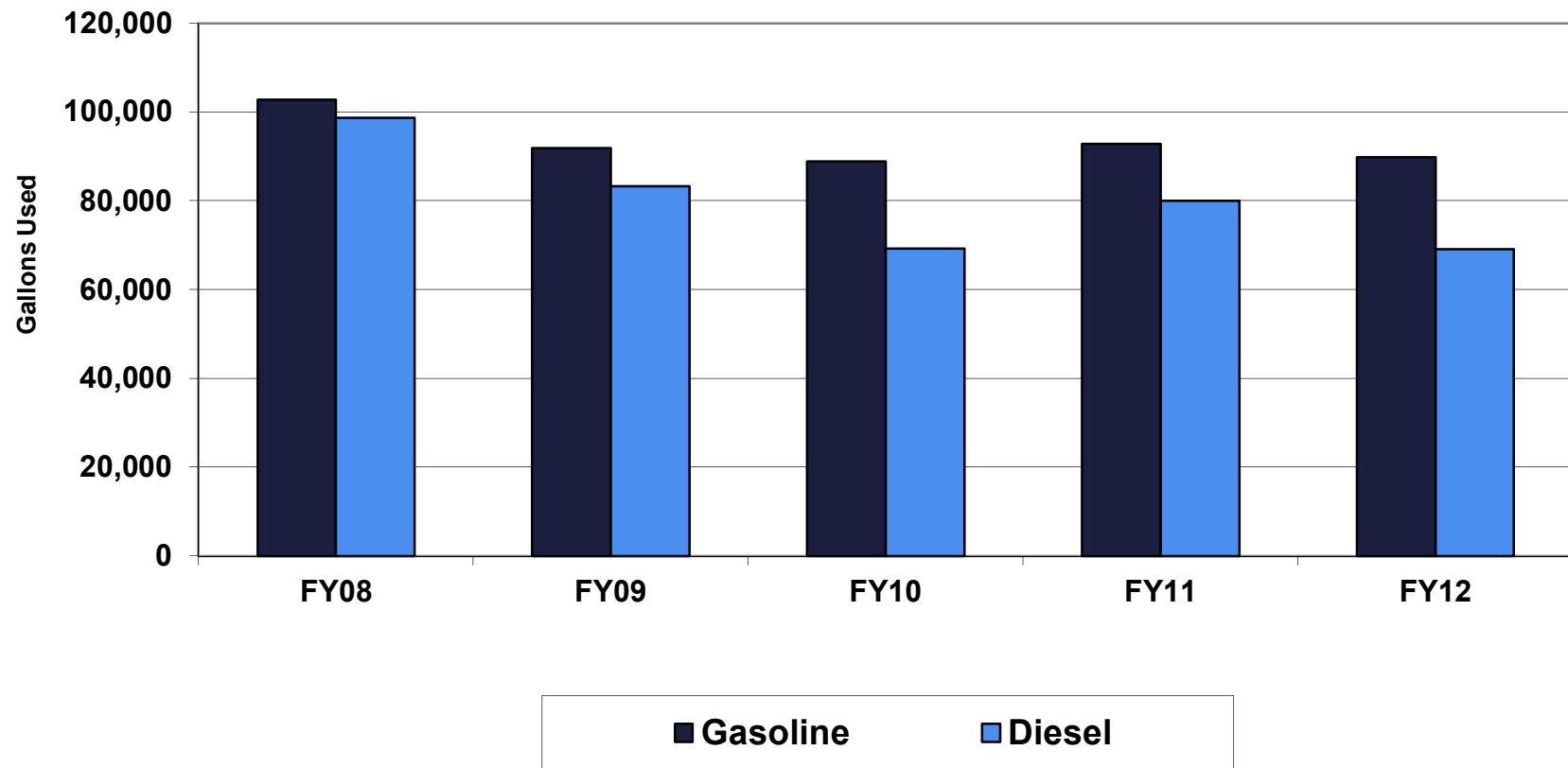
Fiscal Year 2008 – 2012 Actuals



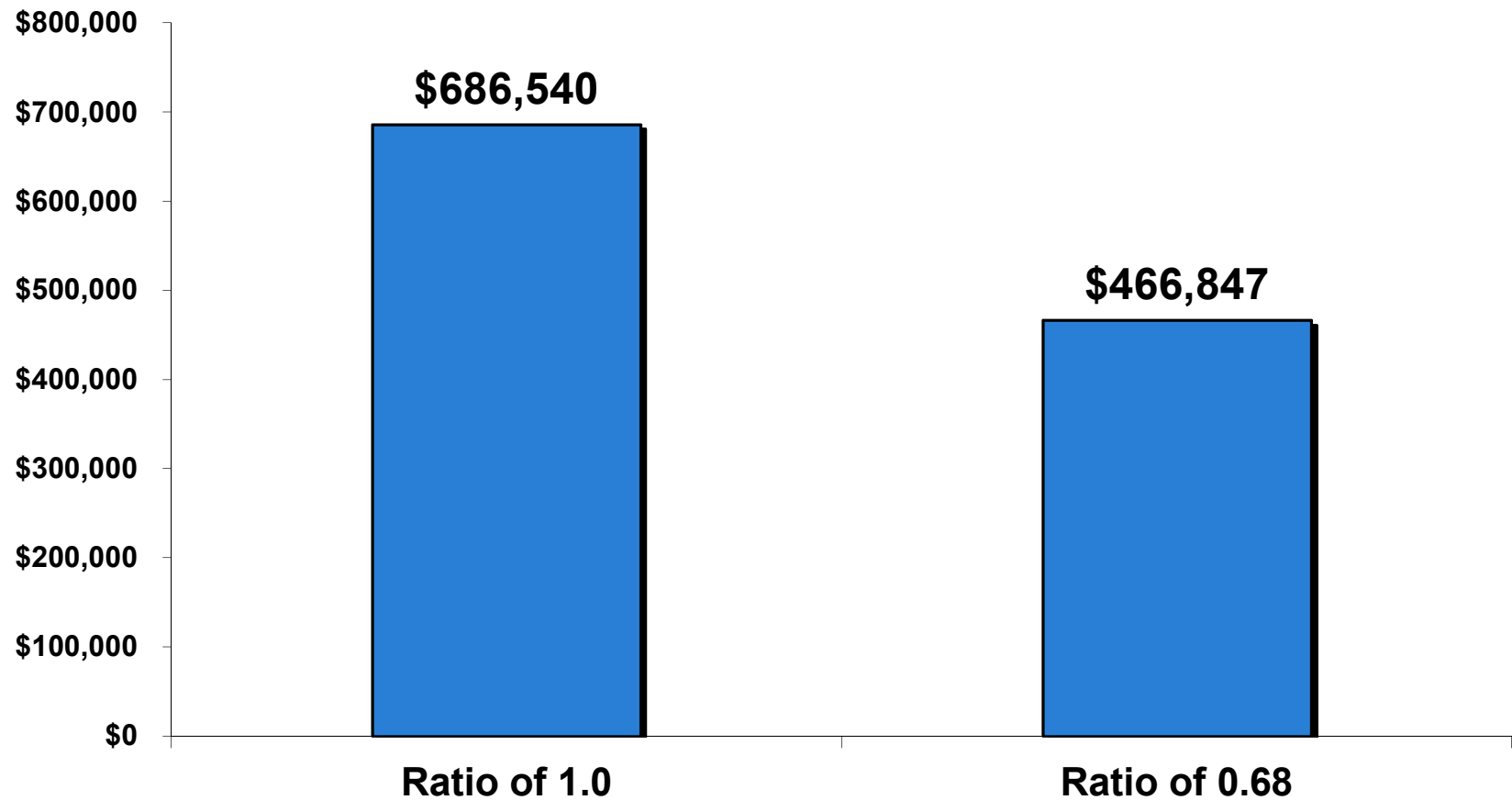
Fuel Consumption – All Departments

Fiscal Year 2008 – 2012 Actuals

Energy Savings - Fuel Consumption



Worker's Compensation Costs





Balanced Budget Milestone

5th Year

No use of Unassigned Fund Balance

Revenues From State of New Hampshire

- FY 2014 Budget Reflects:
 - Permanent Reduction of Shared Revenue Funding (\$1,200,000 not received)
 - Continued Reduction in Highway Block Grant Funding (\$108,000 not received)
 - Level Funding of Rooms & Meals Revenue at 25% v. 40%



FY 2014 BUDGET

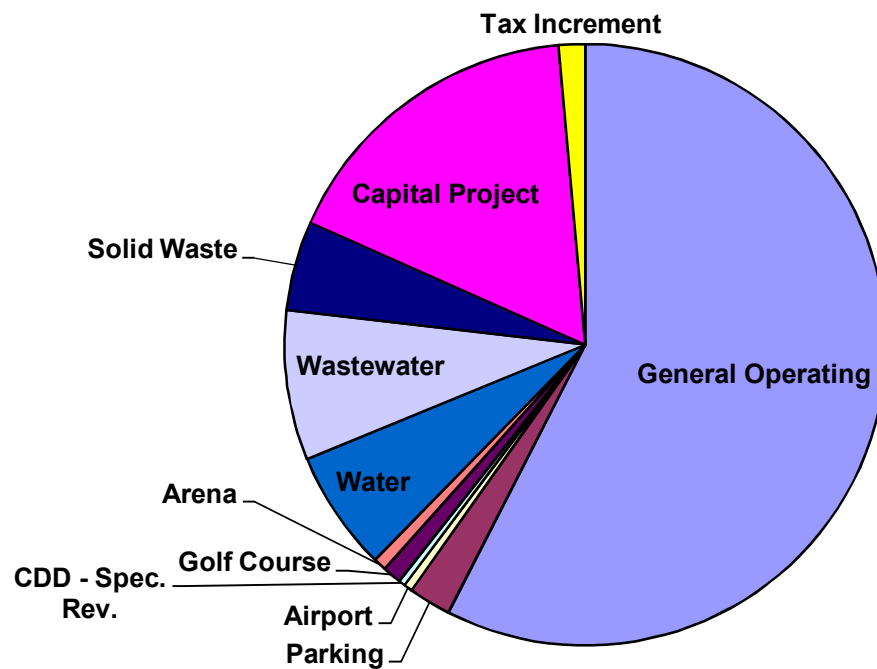
FY 2014 Proposed Appropriations

| Budget Fund | FY 2014 Proposed |
|--|-------------------------|
| General Operating | \$53,446,132 |
| Parking – Special Revenue | \$2,116,685 |
| Airport – Special Revenue | \$411,342 |
| CDD – Special Revenues | \$344,320 |
| Beaver Meadow Golf Course | \$941,900 |
| Everett Arena | \$632,188 |
| Water Utility | \$6,017,548 |
| Wastewater Utility | \$7,475,418 |
| Solid Waste | \$4,484,479 |
| Capital Project General | \$15,727,081 |
| Tax Increment Financing | \$1,308,740 |
| Grand Total Operating & Capital | \$92,905,833 |

Recommended Tax Rate

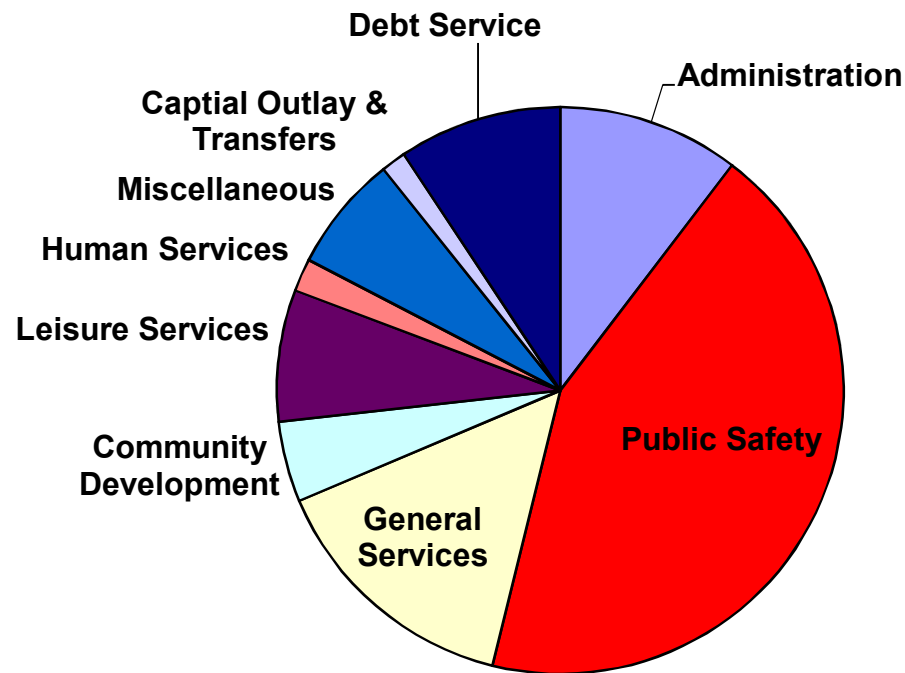
- 3.10% Increase
- State of New Hampshire Downshift of Retirement Costs for FY 2014 = \$959,916 in the General Fund equivalent to 2.89%
- Additional costs for added Police Officer positions due to expiring grant funds for FY 2014 = \$169,000 in the General Fund equivalent to 0.51%
- Increase in debt service costs for previously approved projects = \$256,170 or 0.77%
- Together these equal approximately a 4.17% increase

All Funds Appropriations Fiscal Year 2014



General Fund Operating Budget

Fiscal Year 2014



Personnel Reductions

- Significant staffing reductions have been made throughout the City over the last few years
- 1.05 full-time equivalent positions are eliminated as part of the FY 2014 Proposed Budget
- A total of 33 full-time equivalent positions have been eliminated since 2009

Operating Budget Changes

- Trial Recognition Program: \$10,000
- Retirement Costs for all Non-Public Safety Employees is up \$206,290 (\$288,332 since FY 2010)
- Part-time Legal Secretary modified to Full-time: \$20,770
- Part-time Human Services Case Technician modified to Full-time: \$5,000

Police Department

- Reductions include:
 - Managed costs savings due to existing vacancies (\$165,000)
 - Reduced request for the purchase of vehicles by (\$20,000)
- Additions Include:
 - Overall equipment funding is up \$36,240
 - Changing a part-time Dispatch position full-time \$28,650
 - Costs related to expiring grants for police officers \$169,000
 - Firing Range Capital Costs
 - Retirement Costs Up \$336,332 (\$747,411 since FY2010)
- Overall Operating FY13 Budget to FY14 Budget: Up \$628,939

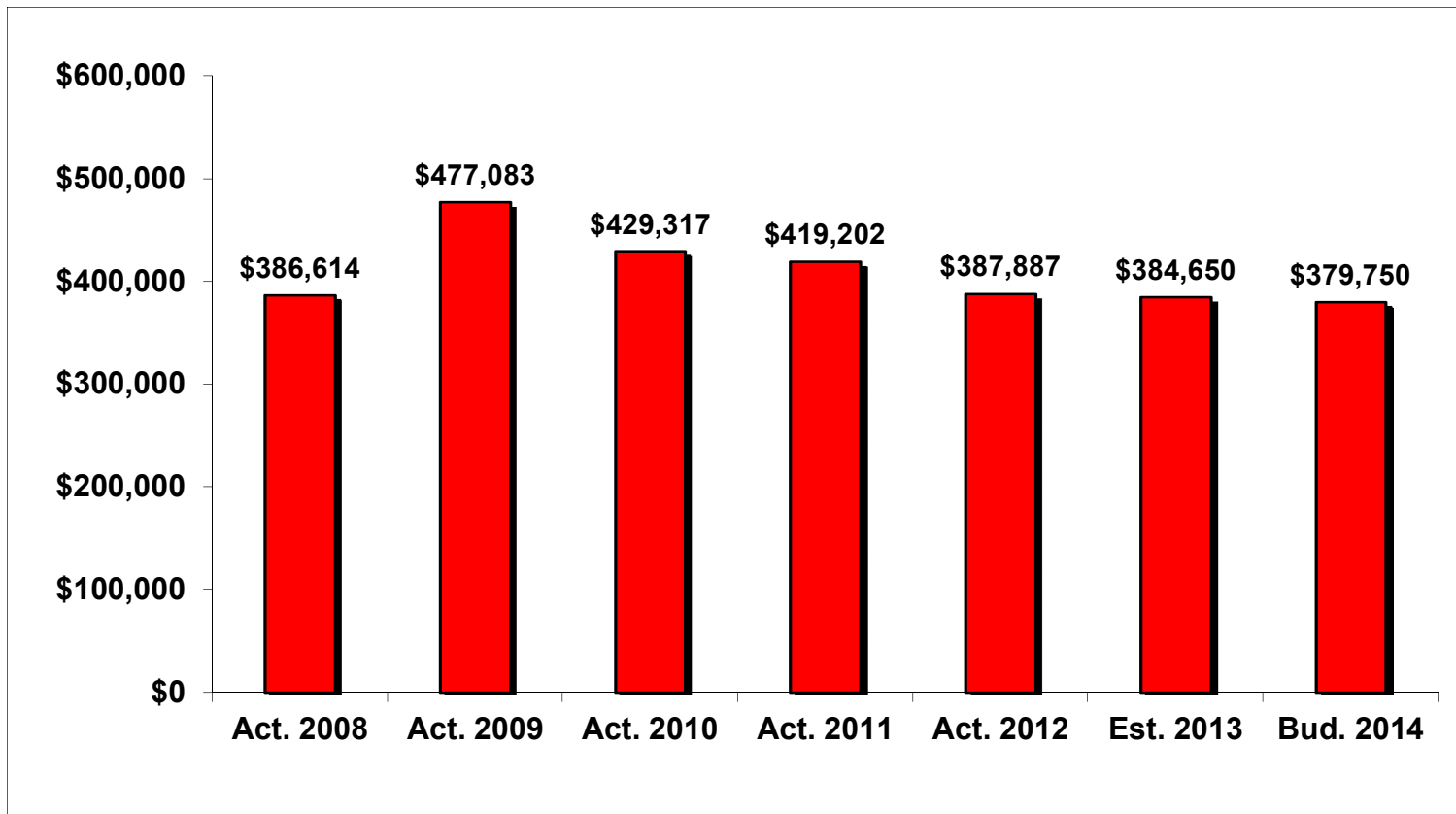
Fire Department

- Reductions include:
 - Eliminate Vacant Fire Fighter Position – Net of Overtime (\$50,318)
- Additions include:
 - Capital Items: Replace a Fire Engine, Replace Thermal Imaging Cameras and Replace Cardiac Monitors for All Ambulances
 - Retirement Costs Up \$348,880 (\$795,780 since FY2010)
- Overall Operating FY13 Budget to FY14 Budget: Up \$478,748

Parks & Recreation Department

- Adopt-A-Spot Program funded through General Fund \$15,765
- Part-time Sports Coordinator and part-time Building Supervisor positions are eliminated
- Full-time Program Coordinator position added due to expanded operational programming and New Heights Community Center

Welfare Aid



Support for Social Services

- Overall funding is recommended at \$191,780
- Funding is sustained for Senior Transport & Special Transit and the Community Action Program
- Funding is sustained for agencies providing shelter for the homeless and rape and domestic violence victims
- Funding is sustained for the Penacook Community Center

Water Enterprise Fund

- Rate increase of 2.5% is recommended, as projected last year.
- FY13 was budgeted for a \$315,510 loss; estimated loss is \$129,055.
- FY14 is budgeted for a \$476,608 loss with the increase in rate as recommended.
- Sufficient working capital reserves in place.

Waste Water Enterprise Fund

- Rate increase of 2.5% is recommended, lower than the 2.75% projected last year.
- FY13 was budgeted for a \$25,443 loss; estimated gain is \$43,257.
- FY14 is budgeted for a \$378,558 loss with the increase in rate as recommended.
- Sufficient working capital reserves in place.

Solid Waste Special Revenue Fund

- No recommended rate change in FY14.
- FY13 was budgeted for a \$122,385 loss; estimated loss is \$263,395.
- FY14 is budgeted for a \$347,315 loss.
- Action required going forward to maintain adequate reserves beyond FY 2014.
- Recommendation: SWAC review rate structure prior to FY 2015. Collection and Disposal Services out to bid, current contracts run through CY 2014.

Parking Special Revenue Fund

- Parking Fund: No recommended rate change in FY14.
- FY13 was budgeted for a \$251,133 loss; estimated loss is \$213,278.
- FY14 is budgeted for a \$71,893 loss.
- Insufficient working capital reserves in place. Vigilance is required throughout the fiscal year.
- Recommend restructure of organizational oversight.
- Recommend that Parking Committee review and modify rate structure system prior to FY 2016.

Golf Enterprise Fund

- No rate change for the 2013 season.
- FY13 was budgeted for a \$20,685 loss; estimated gain is \$4,223.
- FY14 is budgeted for a \$5,590 gain.
- Insufficient working capital reserves in place. Vigilance is required throughout the fiscal year.

Arena Enterprise Fund

- FY13 was budgeted for a \$26,595 gain; estimated gain is \$18,961.
- FY14 is budgeted for a \$77,298 loss.
- Sufficient working capital reserves in place.

Airport Special Revenue Fund

- FY13 was budgeted for a \$2,197 gain; estimated gain is \$21,070.
- FY14 is budgeted for a \$27,268 loss.
- Sufficient working capital reserves in place.

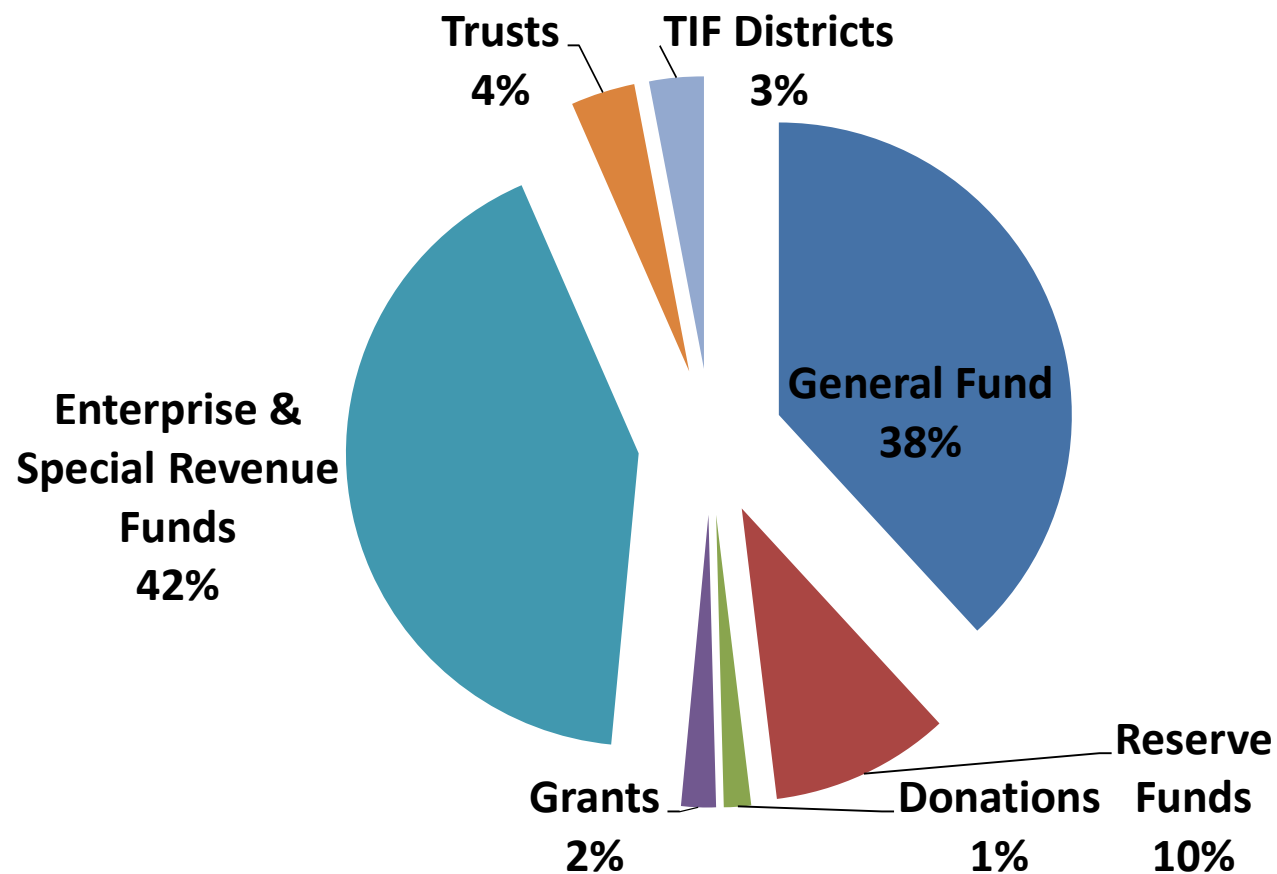
Grant Writing - 2012

- \$4.71 Million – Downtown Complete Streets
- \$200,000 – Tannery/Amazon Realty Clean-up
- \$500,000 – Friendly Kitchen
- \$500,000 – Concord Boys & Girls Club
- \$365,000 – Justice Assistance Grants (PD)
- \$10,000 – 6-9 Commercial Street Clean-up

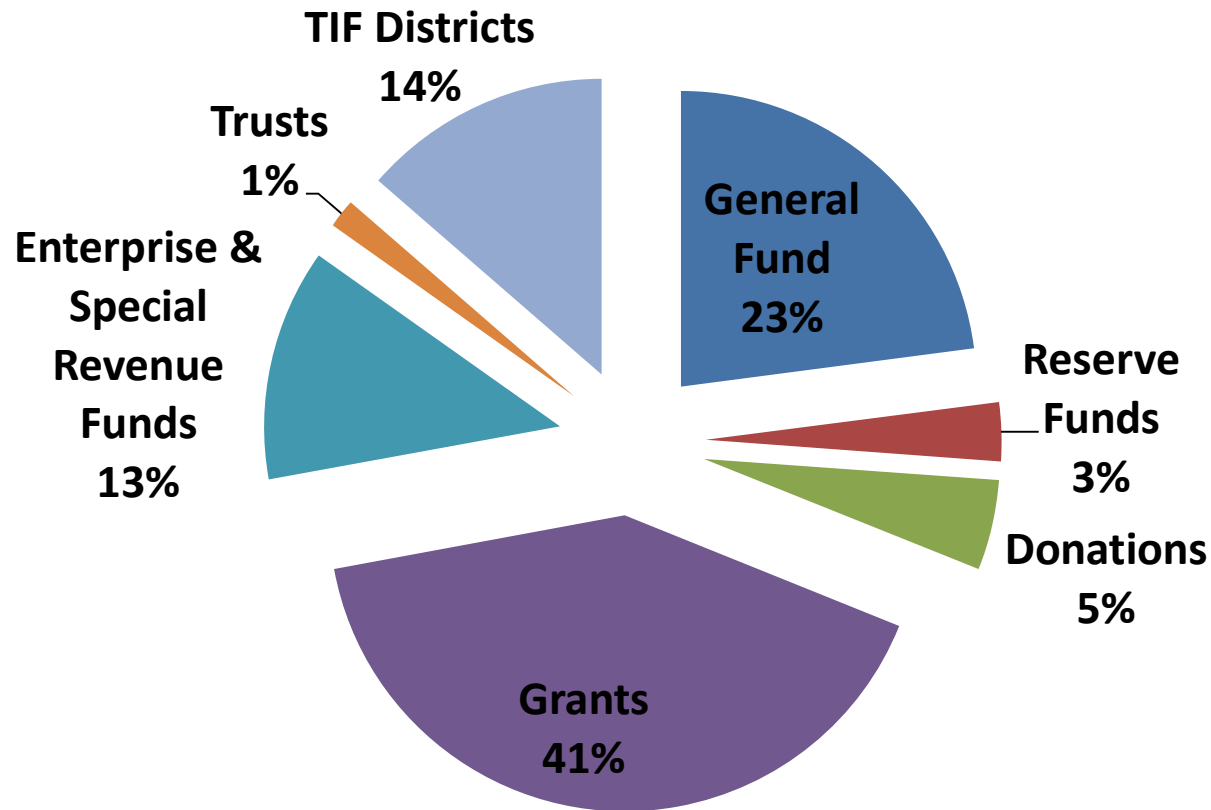


CAPITAL IMPROVEMENT PROGRAM

FY 2013 Capital Improvement Program By Funding Source

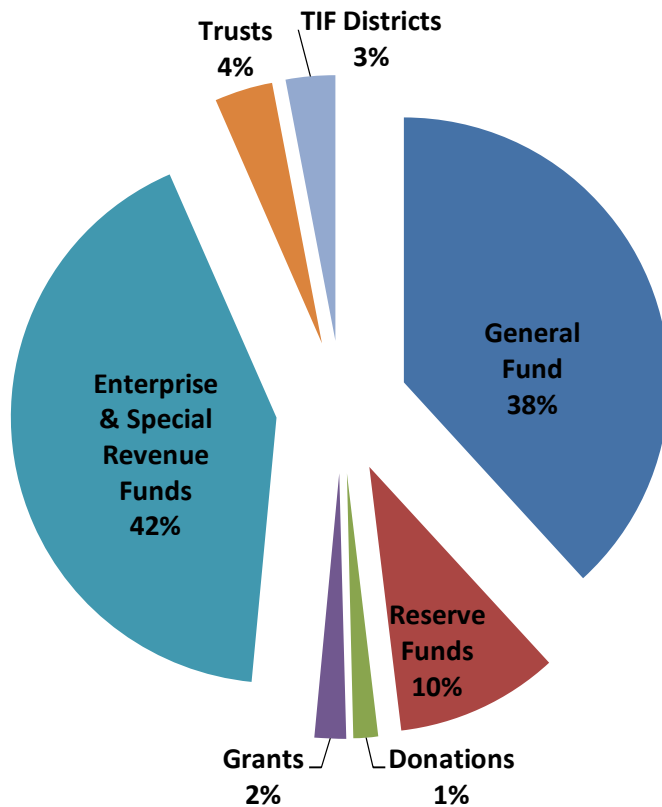


FY 2014 Capital Improvement Program By Funding Source

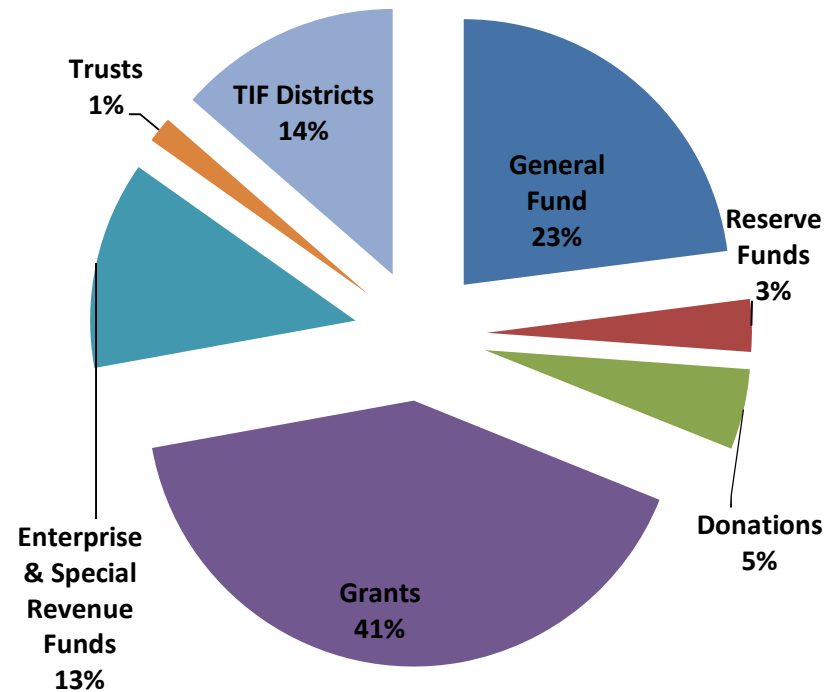


Capital Improvement Program By Funding Source

Fiscal Year 2013



Fiscal Year 2014



Loudon Road Corridor

CIP #19

\$1,527,500
(90% Federal)

Airport Road to
D'Amante Drive



Annual Road Program

CIP #78

\$1,112,658

- Loudon Road
(D'Amante Drive to Route 106)
- Mountain Road
(Shawmut to Tow Path Lane)
- East Side Drive
(Sugar Ball to N. Curtisville Road)



Route 3 North Penacook Village

CIP #35

\$2,200,000

Stark Street to
Boscawen Town
Line

Supplements
\$1,735,000
Approved in
March 2013

ROUNABOUT OPTION



ROUNABOUT OPTION



Sewalls Falls Bridge

CIP #22

\$10,000,000
(80% Federal)



Fire Apparatus

CIP #4

\$535,000

Replace Fire
Engine 4



Thermal Imaging Cameras

CIP #335

\$30,000

Replace Three
(3) Cameras



Cardiac Monitors for Ambulances

CIP #527

\$350,000

Replace All
Cardiac Monitors
in Ambulances



Police Firing Range Improvements

CIP #521

\$60,000

Retaining Wall
Repairs, Lead
Removal & Berm
Refurbishment



Douglas N. Everett Arena

CIP #64

\$221,800
(Arena Funds)

Roof Repairs
and Hot Water
Improvements



Community Centers & Pools

CIP #63

\$250,000

Improvements to
All 7 Pools

ADA Ramp at
West Street
Ward House

Sprinkler Repairs
at Green Street
CC and West
Street Ward
House



Memorial Field

CIP #557

\$400,000

Parking Lot
Reconstruction

Concession
Stand

Press Box



Beaver Meadow Golf Course

CIP #107, #236 &
#530

\$135,000
(Golf Fund)

- Cosmetic Improvements
- Golf Simulator
- Automatic Ball Dispenser
- Teaching Area Improvements
- Outdoor Equipment Replacement



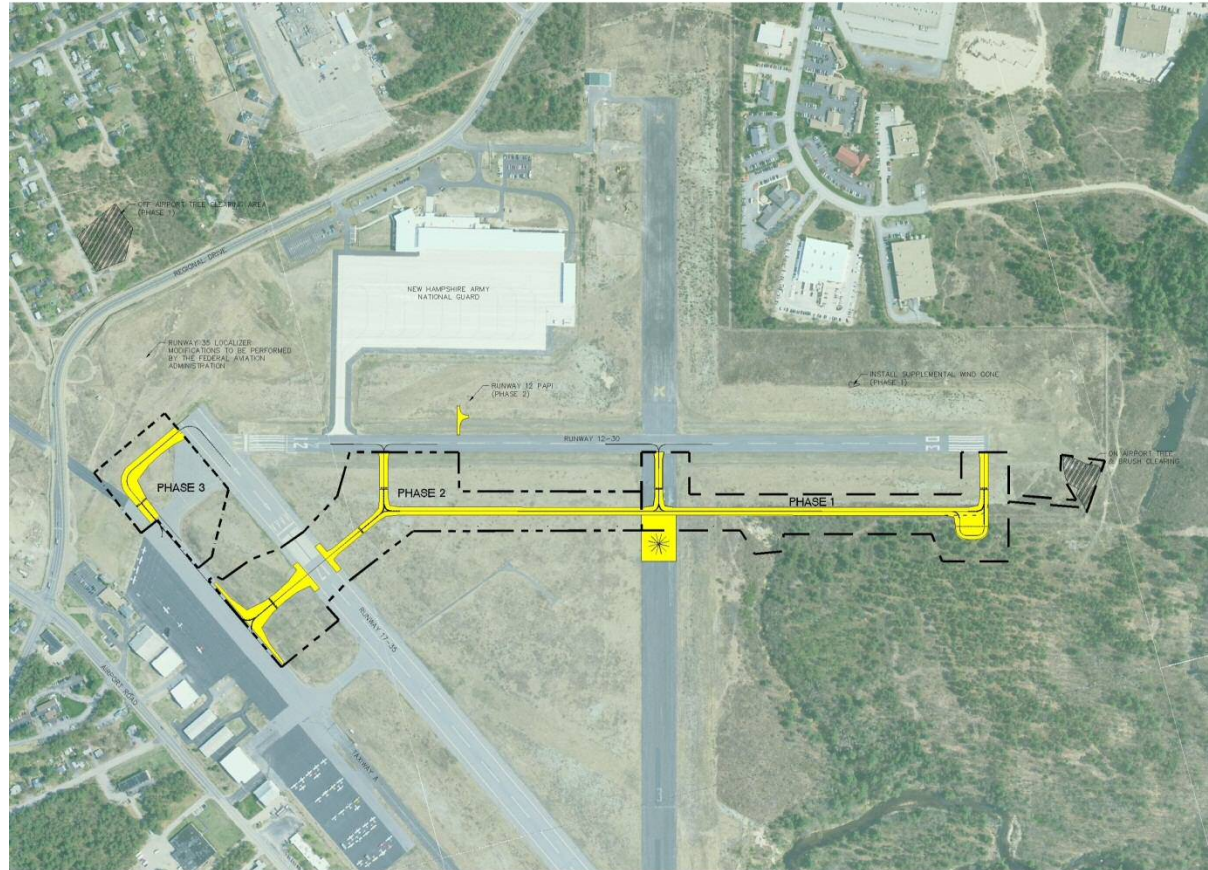
Concord Municipal Airport

CIP #73

- Parallel
Taxiway 12/30
\$1,339,000
Phase I of II

CIP #77

- Snow Removal
Equipment
\$303,500
- (Airport Fund,
State & Federal)



Main Street Complete Street

CIP #460

\$9,636,000

\$4,281,000 TIGER
Grant

\$1,570,000 in private
donations

\$1,285,000 City bond
- balance after
design

\$2,500,000 bond
supported by Sears
Block TIF for
underground utilities
Concord Food Co-Op
to Thompson Street

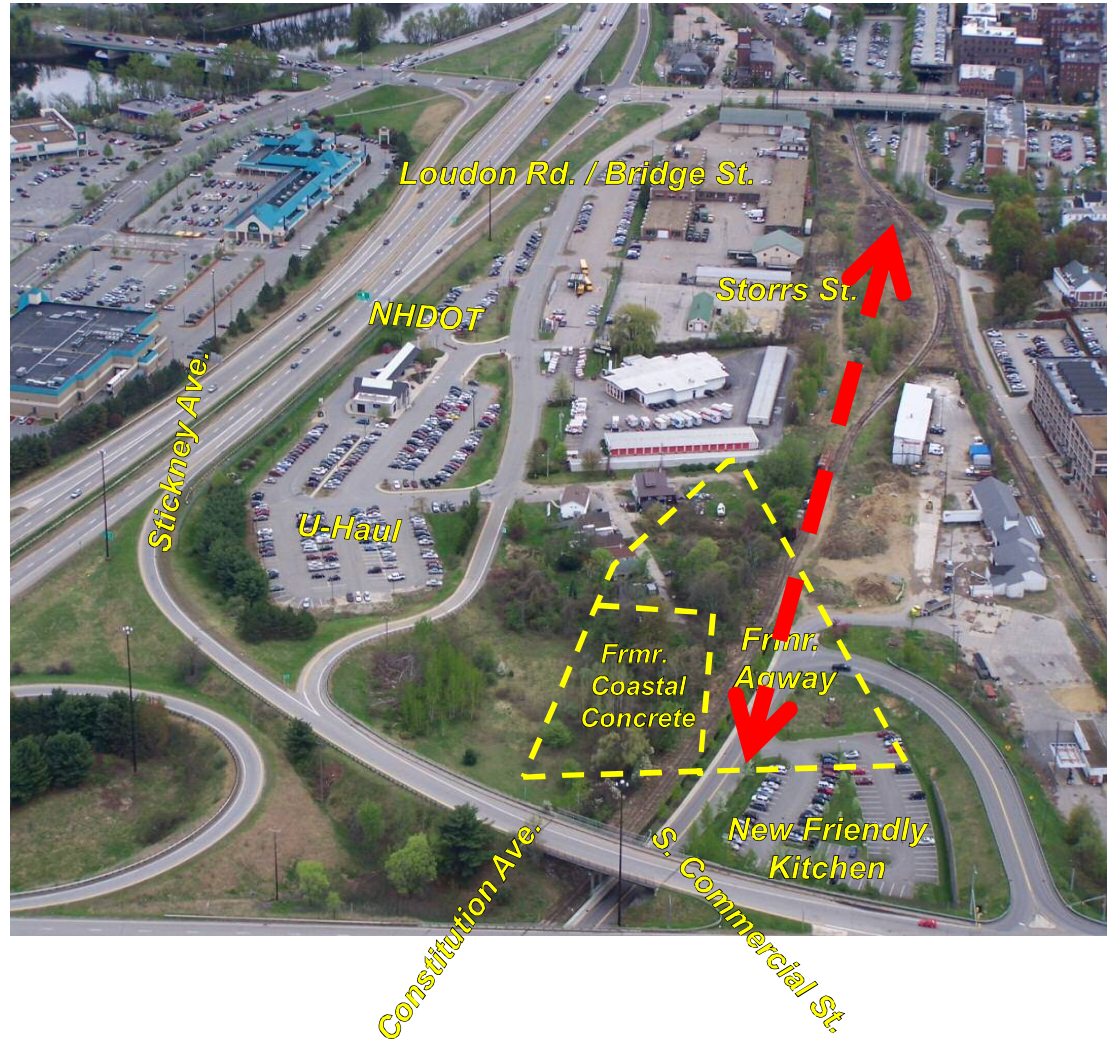


Storrs Street Extension - North End Opportunity Corridor

CIP #18

\$900,000
(NEOCTIF)

Property
Acquisition:
Storrs Street to
Constitution
Avenue for Road
Right of Way

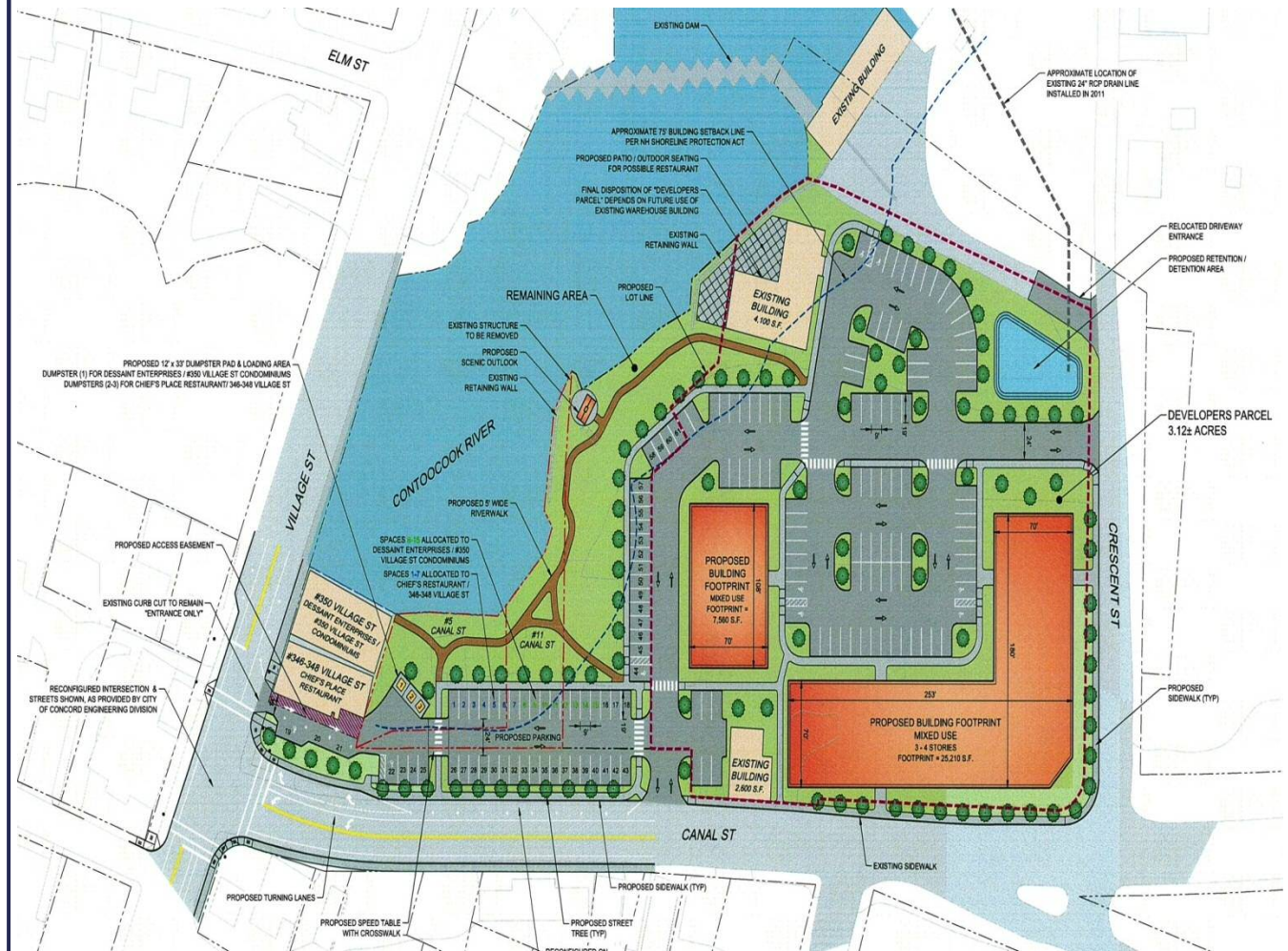


Tannery Redevelopment Concept

CIP #508

\$2,050,000
(Development
Project, PVTIF &
Donations)

- New Riverfront Park
- Branch Library
- Canal Street Parking Lot Reconstruction
- Roadway Improvements

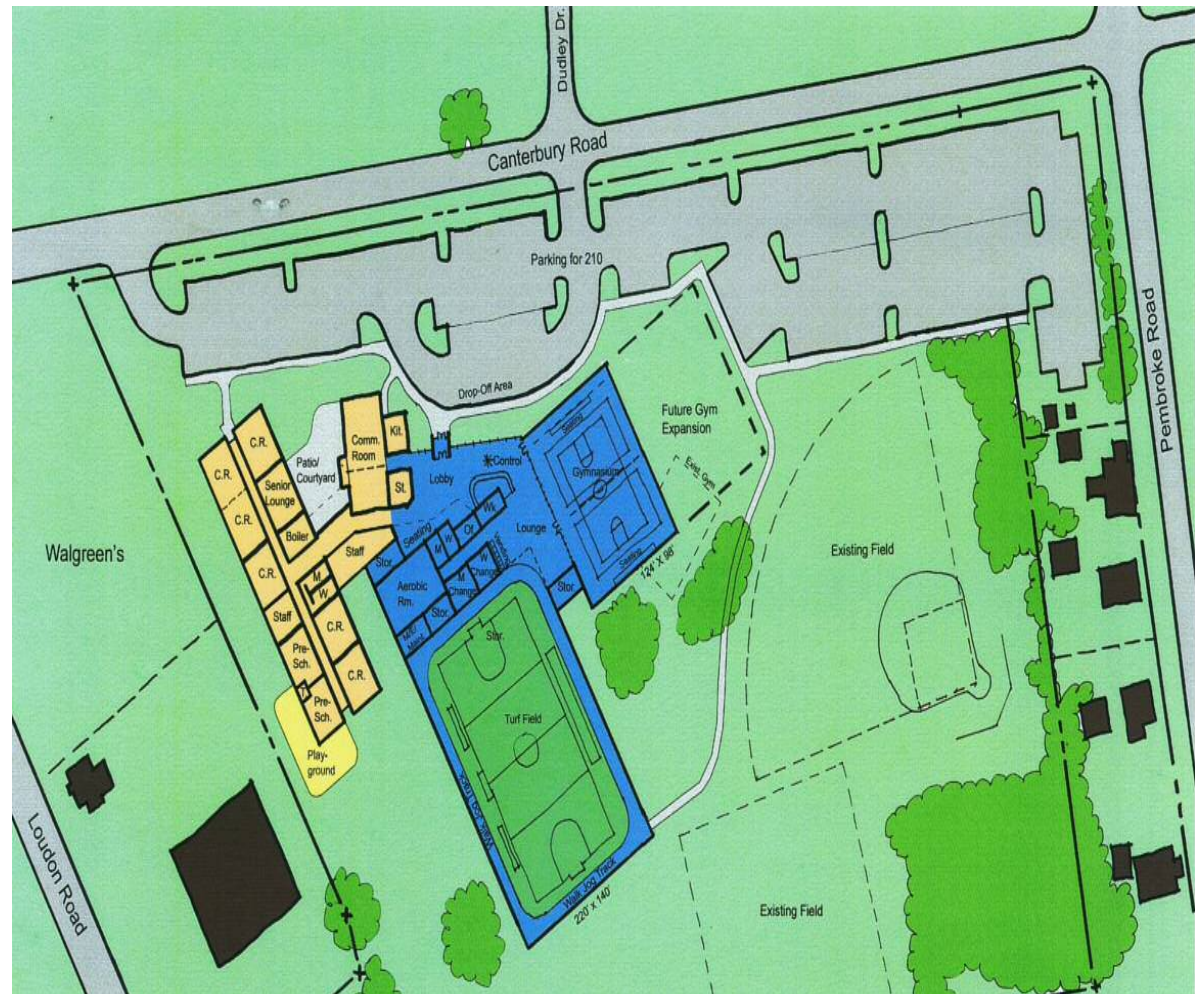


Multi-Generational Community Center at Keach Park

CIP #443

\$130,000
(Impact Fees)

Schematic
Design



Concerns Going Forward

- OPEB Accrued Actuarial Liability of \$45,300,000
- PAYT – Expenses Exceed Revenue
- Review of Solid Waste Services post CY 2014
- Parking Fund – Changes in Downtown Operations
- Future Health Care and Insurance Costs for Current and Retired Employees
- Continued State Downshifting of Costs and Reductions in Revenues

Opportunities for Downtowns

Need to Couple Capital Reinvestments with Enhanced Operational Efforts:

- Create position of Director of Redevelopment, Downtown Services & Special Projects
- Elimination position of Assistant for Special Projects
- Create position of Parking Supervisor
- Eliminate position of Parking Manager
- Enhanced Police patrol in Downtown Concord as we approach full staffing complement
- Undertake complete review of parking system and implement changes prior to/or upon completion of Complete Streets Project

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